GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1462
ANSWERED ON:04.03.2016
NRI Investment in Chit Fund
Karadi Shri Sanganna Amarappa

Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank of India (RBI) has permitted NRIs to invest chit funds without limit on a non-repatriation basis;
(b) if so, the details thereof;
(c) whether the RBI has mandated that the subscription to chit funds may come through the normal banking channel including through an account maintained with a bank in India; and
(d) if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE

(a): to (d): In terms of Reserve Bank of India (RBI) notification dated 2nd March, 2015, a Non-resident Indian may, without limit and on non-repatriation basis, subscribe to the Chit Funds authorized by the Registrar of Chits or an Officer authorized by the State Government in this behalf, provided such subscription are made through normal banking channels.

***